1 C. STANLEY HUNTERTON, ESQ. Nevada Bar No. 001891 2 SAMUEL B. BENHAM, ESQ. Nevada Bar No. 003677 3 **HUNTERTON & ASSOCIATES** 333 South Sixth Street 4 Las Vegas, Nevada 89101 5 (702) 388-0098 6 Attorneys for Defendants Cyrus Milanian and 7 The New Las Vegas Development 8 Company, L.L.C. 9 UNITED STATES DISTRICT COURT DISTRICT OF NEVADA 10 П CAESARS WORLD, INC. and PARK PLACE, Case No. CV-S-02-1287-RLH-RJJ ENTERTAINMENT CORPORATION, 12 Plaintiffs, 13 14 VS. ANSWER 15 CYRUS MILANIAN, and THE NEW LAS VEGAS DEVELOPMENT COMPANY, L.L.C. 16 Defendants. 17 18 Defendants CYRUS MILANIAN, and THE NEW LAS VEGAS DEVELOPMENT 19 COMPANY, L.L.C., ("Defendants") hereby respond to the complaint of CEASARS WORLD, 20 21 INC., and PARK PLACE, ENTERTAINMENT CORPORATION, ("Plaintiffs"), and set forth 22 their affirmative defenses: 23 1. Defendants are without knowledge or information sufficient to form a belief as to the 24 truth of the allegations contained in Paragraphs 1 and 2 of the Complaint and upon that basis 25 deny same. 26 2. Defendants admit that Cyrus Milanian ("Milanian") has transacted business in the HUNTERTON 27 & ASSOCIATES ATTORNEYS AT LAW 28 333 S. Sixth Street State of Nevada but deny the remaining allegations contained in Paragraph 3. Las Vegas, NV 89101 (702) 388-0098

- 3. The allegations contained in Paragraph 4 are statements of law and, based upon that, Defendants neither admit nor deny same.
- 4. Defendants admit that The New Las Vegas Development Company, L.L.C. ("NLVD") is a Nevada limited liability company but deny that its principle place of business is at 1802 N. Carson Street, Suite 212, Carson City, Nevada. Defendants are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 5 of the Complaint and upon that basis deny same.
  - 5. Defendants admit the allegations contained in Paragraphs 6 and 7 of the Complaint.
  - 6. Defendants deny the allegations contained in Paragraph 8 of the Complaint.
- 7. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 9, 10, 11, 12, 13, and 14 of the Complaint and upon that basis deny same.
  - 8. Defendants deny the allegations contained in Paragraph 15 of the Complaint.
- 9. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 16 of the Complaint and upon that basis deny same.
  - 10. Defendants admit the allegations contained in Paragraph 17 of the Complaint.
  - 11. Defendants deny the allegations contained in Paragraph 18 of the Complaint.
- 12. Defendants admit the allegations contained in Paragraphs 19, 20, and 21 of the Complaint.
- 13. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 22 of the Complaint and upon that basis deny same.

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14. Defendants admit the allegations contained in Paragraphs 23, 24, and 25 of the Complaint.

- 15. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 26 of the Complaint and upon that basis deny same.
- 16. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegation in Paragraph 27 that PPE began an investigation of Milanian and discovered any facts, and upon that basis deny same. Defendants admit the remaining allegations contained in Paragraph 27 of the Complaint.
  - 17. Defendants admit the allegations contained in Paragraph 28 of the Complaint.
- 18. Defendants admit that many of the first trademarks filed by Milanian in 1998 related to Titanic theme marks but Defendants are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 29 and upon that basis deny same.
- 19. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 30 of the Complaint and upon that basis deny same.
- 20. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 31 of the Complaint that Plaintiffs discovered Milanian operates a web site, and upon that basis deny same. Defendants admit the remaining allegations contained in Paragraph 31.
  - 21. Defendants admit the allegations contained in Paragraph 32 of the Complaint.

- 22. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 33, 34, 35 of the Complaint and upon that basis deny same.
- 23. Defendatns admit the allegations contained in Paragraphs 36, 37, and 38 of the Complaint.
- 24. Defendants admit the allegations contained in Paragraph 39 of the Complaint except that Defendants deny that Milanian was "outraged."
- 25. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 40 of the Complaint that Plaintiffs' outside counsel contacted a law firm that advised that a new entity was somehow related to Milanian and that the lawyer who sent the letter could or would not provide any explanation, and upon that basis deny same. Defendants admit the remaining allegations in Paragraph 40.
  - 26. Defendants deny the allegations contained in Paragraph 41 of the Complaint.
- 27. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 42 of the Complaint and upon that basis deny same.
  - 28. Defendants deny the allegations contained in Paragraphs 43 and 44 of the Complaint.
- 29. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 45 of the Complaint that Congress amended the Lanham Act in 1988 to recognize an intent-to-use as a basis for filing a trademark application, it took specific steps to prevent trafficking in trademarks, including the requirement that an applicant have a *bona fide* intent to use the mark in commerce, and upon that basis deny same. Defendants deny the remaining allegations contained in Paragraph 45 of the Complaint.

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30. In response	e to Paragraph 46 of the Complaint, Defendants incorporate the answer
set forth in Paragraphs	1 through 29 above as if fully set forth herein.

- 31. Defendants deny the allegations contained in Paragraphs 47, 48, 49, and 50 of the Complaint.
- 32. In response to Paragraph 51 of the Complaint, Defendants incorporate the answers set forth in Paragraphs 1 through 31 above as if fully set forth herein.
- 33. Defendants deny the allegations contained in Paragraphs 52, 53, and 54 of the Complaint.
- 34. In response to Paragraph 55 of the Complaint, Defendants incorporate the answers set forth in Paragraphs 1 through 33 above as if fully set forth herein.
- 35. Defendants deny the allegations contained in Paragraphs 56, 57, and 58 of the Complaint.
- 36. In response to Paragraph 59 of the Complaint, Defendants incorporate the answers set forth in Paragraphs 1 through 35 above as if fully set forth herein.
- 37. Defendants deny the allegations contained in Paragraphs 60, 61, and 62 of the Complaint.
- 38. In response to Paragraph 63 of the Complaint, Defendants incorporate the answers set forth in Paragraphs 1 through 37 above as if fully set forth herein.
- 39. Defendants deny the allegations contained in Paragraphs 64, 65, and 66 of the Complaint.

## AFFIRMATIVE DEFENSES

- 1. Defendants had a bona fide intent to use the trademarks in commerce.
- 2. Defendants at all times acted in good faith and reasonably under the circumstances.
- 3. Plaintiffs' failed to acquire nationwide right, title and interest in the marks at issue.

- 4. Defendants registration, rights and use of the trademarks at all times were in compliance with, and authorized by, the Lanham Act, 15 U.S.C. 1051 et seq.
  - 5. Plaintiffs are estopped from asserting any rights to the trademarks.
  - 6. Defendants possess common law and/or contractual rights to the trademarks.
  - 7. This action is not a proper action for declaratory relief.
  - 8. The present matter is not ripe for adjudication.
  - 9. Plaintiffs have failed to meet their burden of proof.
- 10. Defendants reserve the right to amend or supplement their Affirmative Defenses up through and including trial.

WHEREFORE, Defendants request that the Court enter a judgment that the Plaintiff take nothing by the its complaint and file here and they go hence with their costs here incurred and that Defendant be awarded reasonable attorney's fees.

DATED this Lay of November, 2002.

## **HUNTERTON & ASSOCIATES**

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## **CERTIFICATE OF MAILING**

The undersigned, an employee with the firm of HUNTERTON & ASSOCIATES, hereby certifies that on the day of November, 2002, I mailed via regular U.S. Mail, postage pre-paid first class, a copy of the foregoing DEFENDANTS ANSWER, addressed as follows:

GARY GOODHEART, ESQ. JONES VARGAS 3773 Howard Hughes Parkway, Third Floor South Las Vegas, Nevada 89109

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